



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

HOUSE RANGE RESOURCE AREA

35 East 500 North

P.O. Box 778

Fillmore, Utah 84631

DOGM
MINERALS PROGRAM
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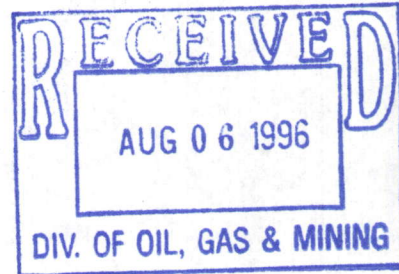
(U-054)

UTU-063447-01

August 1, 1996

CERTIFIED MAIL #Z 212 229 378

E B KING
PRESIDENT
JUMBO MINING COMPANY
6305 FERN SPRING COVE
AUSTIN TX 78730



Dear Mr. King:

On June 6, 1996, a field inspection was conducted at the site of the Drum Mine. In addition to the BLM, representatives from the State of Utah, Department of Environmental Quality, the Division of Water Quality (DWQ), and the Department of Natural Resources, the Division of Oil Gas and Mining were present. Dave Hartshorn represented Jumbo at the inspection and was very cooperative and helpful.

Before the on-ground inspection, we met at the mine inside the plant building, and one topic that was discussed was Jumbo's failure to respond to the December 13, 1996 letter from this office. Mr. Hartshorn produced a draft copy of a letter he thought had been sent; however, we have no record of receiving such, nor had either of the other agencies.

The draft letter stated that both the soil sample DM-S-4 and the tank sample DM-S-1A which required further testing as outlined in our December 13, 1995 letter, would be resampled and analyzed. When I inquired if the original samples could be tested, Mr. Hartshorn said that no splits had been saved, and that the lab would have thrown away the original after 90 days. Arrangements will need to be made with Stan Adams, the Richfield District Hazardous Waste Coordinator, at (801) 896-8221 and Doug Taylor with the State of Utah, Department of Environmental Quality, Division of Solid and Hazardous Waste, at (801) 538-6170 to be present for resampling these locations.

Mr. Hartshorn also provided us with a copy of a letter Jumbo had received from the State of Utah Department of Environmental Quality, Division of Environmental Response and Remediation accepting the closure notice for the underground storage tanks as adequate. We concur with them and consider that issue resolved.

The March 10, 1995 Notice of Noncompliance issued to Jumbo stated:

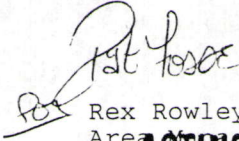
"The Drum Mine's POO is out-of-date and all of the proposed reclamation time frames in the POO have been exceeded. A POO amendment addressing the non-operating status at the Drum Mine has never been submitted. The DWQ has rescinded their construction permit approval for all heaps. The process ponds are not permitted, but may be reusable if they are relined according to DWQ specification. New DWQ construction permits are required prior to the restarting of operations. Also, sampling of the upper berm, pregnant pond and leach run-off from the heap has identified elevated levels of total cyanide. Additional sampling will be necessary in order to ensure the site meets draft closure criteria standard of .2 mg/l weak acid dissociable (WAD) for cyanide and MCL's for metals prior to final reclamation of the site. Given these circumstances, we are requesting per regulation, that a modified POO be filed within 30 days

from receipt of this decision. Reclamation as approved in the Drum Mine's 1983 POO will be required. New time frames for the reclamation of all existing heaps and other facilities must be addressed."

Fifteen months have lapsed since our original 30 day deadline requesting an amendment to the POO. We will allow another 45 days from receipt of this letter for your company to submit to us a reclamation plan proposal, complete with time-frames, for reclaiming all outstanding surface disturbances. Particular attention must be given to stopping the unpermitted discharge from the heaps as soon as feasible, either by closure of the inactive heap leach pads, or by re-stacking the material onto a new pad. If you can, as submitted in your December 5, 1995 letter to DWQ, obtain the permits for building a new leach pad within this time frame, the reclamation plan can propose re-stacking the heap material onto the new pad. Otherwise, an alternative plan must be submitted that would mitigate the unpermitted discharge until such permits can be obtained or appropriate closure takes place. Failure to submit a complete reclamation plan will result in Jumbo's establishing a Record of Noncompliance for failure to comply with the Notice of Noncompliance dated March 10, 1995.

If you have any questions, please contact Sheri Wysong or myself at (801)743-6811.

Sincerely,


Rex Rowley
Area Engineer
ACTING

cc: **D.Wayne Hedberg**, State of Utah, Division of Oil, Gas and Mining

Mark Novak, State of Utah, Department of Environmental Quality, Division of Water Quality

Steven Phirirot, State of Utah, Department of Environmental Quality, Division of Environmental Response and Remediation

Robert Resendes, M.B.A., M.T., Director, Central Utah Public Health Department

Gary Austin, State of Utah, Department of Environmental Quality, Division of Environmental Response and Remediation.

Doug Taylor, State of Utah, Division of Solid and Hazardous Waste

Roger Foisy, State of Utah, Department of Environmental Quality, District Engineer, Central District

Jerry Reagan, Millard County Planning and Zoning